TRANSPORT be pleased to state:

(a) whether it is a fact that several shipping companies in the country have wound up their operations because of the recession in the industry;

(b) what are the names of first 20 chipping companies in India and what are the broad details of their financial functioning during the past three years; and

(c) what is the number of foreign shipping companies that are functioning in India and what are the broad details of their operations in India and the country of origin of each of the first 20 foreign shipping companies active in the country?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI RAJESH PILOT); (a) Some shipping companies have wound up their operations in the recent past on account of the recession.

(b) and (c) The information is being collected.

Functioning of the shipping industry

1789. SHRI BHAGATRAM MANHAR;

SHRI BIR BHADRA PRATAP SINGH:

Will the Minister of SURFACE TRANSPORT be pleased to state:'

(a) what are the names of various important committees Set up by Government to review the functioning of Shipping industry, during the last three years, with the names of their members and the broad recommendations made by each of the committee;

(b) what is the nature of action taken or being taken by Government on the recommendations of the above committees; and

(c) whether any of the recommendations have been rejected by Government and if so, what are the details thereof and the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI RAJESH PILOT)., (a) to (c) Committee's set up by the Government to review the functioning of shipping industriy, during the last three years:—

Financial Relief to Shipping Companies in the context of recession.

This Committee was Constituted under the Chairmanship of Secretary, Ministry of Surface Transport, with the following members: —

| | |
|---|---|
| (1) Secretary (Shipping & Transport) | *Chairman* |
| (2) Director General of Shipping, Bombay | Member |
| (3) Adviser/Joint Adviser (Transport) Planning Commission. | Member |
| (4) Executive Director, SDFC, Bombay. | Member |
| (5) Joint Secretary (Shipping) | Member |
| (6) Financial Adviser (Shipping & Transport) | Member |
| (7) Joint Secretary (Deptt. of Economic Affairs) | Member |
| (8) Joint Secretary (Deptt. of Banking) Ministry of Finance | Member |
| (9) Deputy Secretary (Shipping) (Ministry of Shipping & Transport) | *Member Secretary* |

The Committee made the following recommendations:—

| | *Action taken* |
|---|---|
| (a) The SDFC should deviate from normal commercial banking principles in order to promote the national objective of development of shipping tonnage. However, there existed some scope of application of banking principles in the pre-loaning appraisal, and post-loaning appraisal, and post-loaning supervision by the SDFC, and creation of a Shipping Development Bank of India. | (a) to (j) The Shipping Development Fund Committee has already been abolished w.e.f. 3-4-1987. The financing of Private Sector ship acquisition proposals has been transferred to the Shipping Credit & Investment Company of India Ltd., a company set up under the aegis of the Ministry of Finance. The Shipping Credit & Investment Co. of India Ltd. could be giving integrated packages of relief to the Shipping Industry. Such packages would be worked out by the Ministry of Finance on a company by company basis keeping in view the prospects of the longterm viability of the company and the efforts likely to be made by the promotors of the company by way of bringing in additional equity, etc. |
| (b) The SDFC should devise a procedure to enable it to take over the management of a Company, whenever it found the management inefficient or acting malafide. Suitable amendments could be made in the Merchant Shipping Act, such as to enable an Indian Shipping Company to directly raise loans abroad after offering the ship itself for security, considerable flexibility would be available to the Indian Shipping Industry. | |
| (c) SDFC may be permitted by Govt. to raise rupee resources by issue of bonds/debentures to be guaranteed by Govt. Provision for this already exists in M.S. Act 1958. | |
| (d) If a shipping company was able to raise a Euro Dollar Loan, without the backing of a Govt. guarantees, then it might be desirable to pay to the company a slightly higher interest subsidy, say 5% instead of 4½% interest subsidy, inherent in this scheme. | |
| (e) Indian shipping companies should be encouraged to acquire ships to the maximum extent possible by availing of the special financial assistance provided by the foreign shipyards. | |
| (f) Indian has a large reservoir of trained sea personnel. These inherent advantages can be successfully used to attract foreign participation in the Indian Shipping Industry. | |
| (g) The foreign exchange made available under the SAFAUNS scheme by the Govt. has been exhausted. This scheme may be continued and a suitable foreign exchange allocation in each five year plan may be made. | |
| (h) In view of the constraint in resources it may be possible to take ships on long term charters, with the express understanding that vessels take on such charters would not be received as Indian flag vessels, but in all matters relating to Transchart cargo and movement of other national cargo they would be treated on par with Indian flag vessels. | |
| (i) Encouragement to Non-shipping companies to invest in the shipping industry and diversifications of shipping companies into non-shipping activities. | |

| | | |
|---|---|---|
| (j) | Extension to the shipping sector of the principle of shadow pricing of foreign exchange expenditure and corresponding price preference to rupee expenditure. | |
| (k) | The Govt. should consider granting a rebate on customs duty on the ships proposed to be scrapped by the existing shipping companies in further once of their replacement programme, provided the shipping companies are agreeable in invest these funds in acquiring tonnage in replacement. | The matter has been taken up with the Ministry of Finance. |
| (l) | Indian Shipowners may be permitted to operate in the international market more or less on the lines by a Greeek or a Norwegi n shipowner. In order to enable him to do so, the Govt. would have to permit freedom from the licences on the buying and selling procedures as obtained today under the Indian Laws. | A ship acquisition licensing committe has been set up to ensure speedy clearance of acquisition proposals with effect from 3-4-1987. |
| (m) | The scheme of entitlement vouchers for cargo support formulated by the Ministry of Shipping and Transport to ensure that Indian flag carriers get 40% of the liner export cargo from Indian ports would be a step in the right direction. | The matter is under consideration of the Govt. |

2. *Committee set up by the Government to Review / amend the M.S. Act, 1958.*

This Committee was constituted under the Chairmanship of Director General of shipping with following Members:—

| | |
|---|---|
| (i) Director General of Shipping, Bombay | Chairman |
| (ii) Director, Ministry of Surface Transport | Member |
| (iii) Deputy Secretary, Ministery of Surface Transport | Member |
| (iv) Representative of Ministry of Law, Bombay Branch | Member |
| (v) Representative of O.N.G.C., Bombay | Member |
| (vi) Representative of INSA, Bombay | Member |
| (vii) Representative of NUSI, Bombay | Member |
| (viii) Representative of MUI, Bombay | Member |
| *(ix) Dr. (Smt.) Narmada Khodie University of Bombay | Member |
| *(x) Executive director, S.C.I., Bombay | Member |
| (xi) Dy. Director General of Shipping, Bombay | Member Secretary |

*Go-opted later by the Chairman.

The broad recommendation of the Committee to Review/Amend the M.S. Act, 1958 are as follows:—

| | *Action taken* |
|---|---|
| (i) Widening and strengthening of SDFC. . . . | SDFC has since been abolished w.e.f. 3-4-1987. |
| (ii) Prevention and containment of pollution and portection of vessels at Sea, keeping in view inter-national coventions and agreements. | the above recommendations are under examination. |
| (iii) Improvement of Service Condition of Seamen. | |
| (iv) Raising the standard of training etc. of the personnels of the sea going vessels. | |
| (v) Safety of life and ships at Sea. | |

**Review *committee tor* Delhi Hospitals**

1790. SHBI RAM AWADHESH SINGH;
SHRI VIRENDRA VERMA:
SHRI K. GOPALAN;
SHRI V. GOPALSAMY:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased t° state;

(a) whether it is a fact that the recommendations made by the Hospi tal Review Committee for Delhi Hospitals sometime in 1978 to bring abbut iimprovements in the emer gency units of the city hospitals have not yet been implemented and that there is deterioration in the services of the emergency units in the various hospitals of Delhi;

(b) if so, what are the salient features of 1he recommendations made by the aforesaid Committee; and

(c) what are the reasons for the non-implementation of these recommendations and the measures taken by Government to bring alround improvement in the services of the emergency units of the city hospitals?

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT AND THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI P. V. NARA-SIMHA RAO): (a) No Sir, Most of the recommendations made by the Hospital Review Committee for Delhi Hospitals have been implemented.

(b) The salient features of the re-commendations are given in the attached statement. (See below)

(c) Some of the recommendations are very far reaching. Considering the constraint in resources and other limiting factor, it has not been possible to implement all the recommendations. Various measures have been taken by the Government to bring, alround improvement in the services of the emergency units of the Central Government Hospitals by sanctioning additional staff, placing the emergency units under the charge of a full time additional Medical Superintendent etc.

**Statement**

*Salient features of* the recommendations made *by the hospital review committee.*

1. Radical changes to be brought about in the organizational structure of the hospitals to enable the Medical superintended s to take most of the decisions at the hospital level.

2. Creations of high-powered Management Board to be presided over by the Health Secretary.